

**STATE OF CALIFORNIA  
CALIFORNIA ENERGY COMMISSION**

Minutes of the October 22, 2008, Energy Commission Business Meeting.

The meeting was called to order at 10:05 by Vice Chair James D. Boyd. The Pledge of Allegiance was led by Vice Chair Boyd.

Present:

James D. Boyd, Vice Chair  
Arthur H. Rosenfeld, Commissioner  
Karen Douglas, Commissioner

1. **CONSENT CALENDAR.** (Items on the Consent Calendar will be taken up and voted on as a group. A Commissioner may request that an item be moved and discussed later in the meeting.)
  - a. **E SOURCE COMPANIES LLC.** Possible approval of Contract 500-08-016 for \$17,900 with E Source Companies, LLC to continue the Energy Commission's membership in the E Source Technology Assessment Service for one year. Membership includes access to the E Source web site, participation in E Source web conferences, E Source publications and inquiry privileges. (PIER electricity funding.) Contact: Dustin Davis.
  - b. **GOVERNOR'S OFFICE OF PLANNING AND RESEARCH.** Possible approval of Contract 150-08-002 for \$45,000 with the Governor's Office of Planning and Research to provide writing and research services for planning and policy discussion documents regarding energy-related issues. (ERPA funding.) Contact: Elizabeth Stone. (5 minutes)

*Commissioner Rosenfeld moved and Commissioner Douglas seconded approval of the Consent Calendar. The vote was unanimous. (3-0)*

2. **LODI ENERGY CENTER 08-AFC-10.** Contact: Rod Jones. (10 minutes)
  - a. Possible approval of the Executive Director's data adequacy recommendation for Northern California Power Agency's Application for Certification of the Lodi Energy Center, a nominal 255-megawatt natural gas-fired, combined-cycle electrical generating facility to be constructed on land owned and incorporated by the City of Lodi, approximately 6 miles west of the Lodi city center.

*Commissioner Douglas moved and Commissioner Rosenfeld seconded approval of the Executive Director's recommendation that the AFC be found data inadequate at this time. The vote was unanimous. (3-0)*

- b. Possible appointment of a siting committee for the Lodi Energy Center.

*No action was taken on item 1b.*

3. **GEOHERMAL RESOURCES DEVELOPMENT ACCOUNT GRANT RECIPIENT CHANGE.** Possible approval of a change from Potter Drilling, LLC to GroundSource Geothermal, Inc. as recipient of funding under the Geothermal Resources Development Account (GRDA). Under the 2007 GRDA Grant Solicitation, Potter Drilling, LLC was

awarded \$72,365 for a ground source heat pump market study. The company has since re-organized and formed two new companies, one of which, GroundSource Geothermal, Inc., will perform the grant work. The scope of work, personnel, and budget will not change. Contact: John Hingtgen. (5 minutes)

*Commissioner Rosenfeld moved and Commissioner Douglas seconded approval of the change from Potter Drilling, LLC to GroundSource Geothermal, Inc. The vote was unanimous. (3-0)*

4. BENICIA UNIFIED SCHOOL DISTRICT. Possible approval of a \$925,418 loan to the Benicia Unified School District to install several energy efficiency projects, including lighting, equipment controls, and heating, ventilation, & air conditioning (HVAC) upgrades/replacements. These projects will affect several school district facilities and save the district approximately 683,395 kWh and 2,366 therms or about \$99,153 annually. Based on the loan amount, the simple payback is approximately 9.3 years. (ECAA and/or Bond Funded). Contact Jim Holland (5 minutes)

*Commissioner Rosenfeld moved and Commissioner Douglas seconded approval of the loan to the Benicia Unified School District. The vote was unanimous. (3-0)*

5. CITY OF MONTEREY. Possible approval of a \$600,000 loan to the City of Monterey to upgrade lighting and photovoltaic installation projects. These projects will affect four facilities and save the city approximately \$60,000 annually. Based on the loan amount, the simple payback is 10 years. (ECAA and/or bond funded). Contact Joji Castillo (5 minutes)

*Commissioner Rosenfeld moved and Commissioner Douglas seconded approval of the loan to the City of Monterey. The vote was unanimous. (3-0)*

6. MCGRAW-HILL CONSTRUCTION. Possible approval of Purchase Order 08-445.03-002 for \$37,901 to McGraw-Hill Construction Company for floor space data to forecast residential and commercial energy demand for the 2009 *Integrated Energy Policy Report*. (ERPA funding.) Contact: Sylvia Bender. (5 minutes)

*Commissioner Rosenfeld moved and Commissioner Douglas seconded approval of Purchase Order 08-445.03-002. The vote was unanimous. (3-0)*

7. ABT SRBI. Possible approval of Amendment 1 to Contract 600-07-004 with Abt SRBI to add \$196,516 and revise the scope of work. The project is a survey of California households and commercial fleets that purchase and operate light-duty vehicles (up to 10,000 pounds gross vehicle weight). The amended scope of work will increase the sample size 20 percent to include cell phone only households. The survey data will be used to enhance and improve the Energy Commission's transportation forecast modeling capabilities. (ERPA funding.) Contact: Libbie Bessman. (5 minutes)

*Commissioner Douglas moved and Commissioner Rosenfeld seconded approval of Amendment 1 to Contract 600-07-004. The vote was unanimous. (3-0)*

8. PUBLIC SECTOR CONSULTANTS. Possible approval of Purchase Order 08-409.00-004 for \$437,400 to Public Sector Consultants to provide technical project management and programming for the PIER Information Management System (PIMS). The contract is to maintain the system and to address new baseline requirements resulting from Energy Commission business changes. (PIER electricity funding.) Contact Larry Smith. (5 minutes)

*Commissioner Rosenfeld moved and Commissioner Douglas seconded approval of Purchase Order 08-409.00-004. The vote was unanimous. (3-0)*

9. U. S. DEPARTMENT OF ENERGY-PACIFIC NORTHWEST NATIONAL LABORATORY. Possible approval of Contract 500-08-013 with U. S. Department of Energy-Pacific Northwest National Laboratory for \$228,337 to develop modeling capabilities for consistent analysis of California's energy system and the impacts of proposed supply and demand-side policies. (PIER electricity funding.) Contact: Guido Franco. (5 minutes)

*Commissioner Rosenfeld moved and Commissioner Douglas seconded approval of Contract 500-08-013. The vote was unanimous. (3-0)*

10. UC DAVIS. Possible approval of Contract 500-08-005 for \$300,000 with the Regents of the University of California, Davis to expand and enhance CALVIN, a water resources management tool. The project will include a module to track the energy implications of measures the state may implement in the water sector to cope with climate change. (PIER electricity funding.) Contact: Guido Franco. (5 minutes)

*Commissioner Rosenfeld moved and Commissioner Douglas seconded approval of Contract 500-08-005. The vote was unanimous. (3-0)*

11. UC SANTA BARBARA, BREN SCHOOL OF ENVIRONMENTAL SCIENCE & MANAGEMENT. Possible approval of Work Authorization MRA-02-078 for \$397,000 under Contract 500-02-004 with The Regents of the University of California – Office of the President/CIEE. Researchers at UC Santa Barbara's Bren School of Environmental Science & Management will provide a statewide overview of potential effects on California's wildlife species and water use due to changes in crops and farming practices to generate renewable biofuel feedstocks. (PIER electricity funding.) Contact: Joe O'Hagan. (5 minutes)

*Commissioner Rosenfeld moved and Commissioner Douglas seconded approval of Work Authorization MRA-02-078. The vote was unanimous. (3-0)*

12. UC ENERGY INSTITUTE. Possible approval of Contract 500-08-006 for \$2,394,375 with the Regents of the University of California, Office of the President to fund the Center for the Study of Energy Markets (CSEM) at the UC Energy Institute. CSEM will conduct research in market design and operation for 42 months, beginning January 1, 2009. (PIER electricity and natural gas funding.) Contact: Mike Gravely. (5 minutes)

*Commissioner Rosenfeld moved and Commissioner Douglas seconded approval of Contract 500-08-006. The vote was unanimous. (3-0)*

13. **APPLIANCE EFFICIENCY REGULATIONS A AND B.** Possible adoption of proposed amendments to the Appliance Efficiency Regulations A and B. The Notice of Proposed Action, dated August 29, 2008, stated that the full Commission would consider adopting proposed regulations (45-Day language) at this business meeting. Energy Commission staff is recommending that the 45-Day language dated August 29, 2008, not be adopted at this time and to release modified language through 15-Day Language at a later date. Interested persons may make oral or written comments at this business meeting. Contact: Melinda Merritt. (10 minutes)

*No action was taken on Item 13, in accordance with the staff recommendation.*

14. **RENEWABLE ENERGY PROGRAM ANNUAL REPORT.** Possible approval of the Renewable Energy Program *2008 Annual Report to the Legislature* and its associated *Appendix*. The *2008 Annual Report* is due to the Legislature by November 1, 2008, and reports on the results of the Renewable Energy Program's activities and status of funding for the period July 1, 2007, through June 30, 2008. The *2008 Appendix* contains detailed project descriptions, statistics, and financial data. Contact: Madeleine Meade. (10 minutes)

*Commissioner Douglas moved and Commissioner Rosenfeld seconded approval of the Renewable Energy Program 2008 Annual Report to the Legislature. The vote was unanimous. (3-0)*

15. **Minutes**

Approval of the October 8, 2008 Business Meeting Minutes.

*Commissioner Rosenfeld moved and Commissioner Douglas seconded approval of the Minutes. The vote was unanimous. (3-0)*

16. **Commission Committee Presentations/Discussion** – None
17. **Chief Counsel's Report** – Chief Counsel Bill Chamberlain requested a closed session pursuant to Government Code Section 11126(e).
18. **Executive Director's Report** – Chief Deputy Director Claudia Chandler gave the report.
19. **Legislative Director's Report** – Legislative Director Chris Marxen gave the report.
20. **Public Adviser's Report** – Public Adviser Elena Miller gave the report.
21. **Public Comment** - None

Appearances:

Mr. Scott Galati, Galati & Blek, LLP

There being no further business, the meeting was adjourned.

Respectfully submitted,

HARRIET KALLEMEYN  
Secretary to the Commission